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**FORM X-17A-5  
PART III**

SEC FILE NUMBER
8- 67547

Washington DC

FACING PAGE

**400 Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING JULY 1, 2011 AND ENDING JUNE 30, 2012  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**CHURCHILL CAPITAL USA, INC.**

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_____
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

**1270 Avenue of the Americas  
New York, NY 10020**

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

**William M. Waddell**

**212.994.4990**

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

**JANOVER LLC**

(Name - if individual, state last, first, middle name)

**100 Quentin Roosevelt Blvd New York NY 11530**  
(Address) (City) (State) (Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

\* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant

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must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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## OATH OR AFFIRMATION

I, **Steven C Bender**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **Churchill Capital USA, Inc.** as of **JUNE 30, 2012**, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows: **NONE**.



Signature

Financial & Operations Principal  
Title



Notary Public

BETH A. CONGDON  
No. 01CO6199721  
Notary Public, State of New York  
Qualified in Erie County  
My Commission Expires Jan 20, 2013

This report \*\* contains (check all applicable boxes):

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- (o) Independent Auditor's Report on Internal Control

*\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).*

**CHURCHILL  
CAPITAL USA, INC.**

**Financial Statement**

**June 30, 2012**

# **CHURCHILL CAPITAL USA, INC.**

## **Table of Contents**

### **Independent Auditors' Report dated August 28, 2012**

<b>Financial Statement</b>	<b>Page</b>
Statement of Financial Condition	1
Notes to Financial Statements	2 - 6

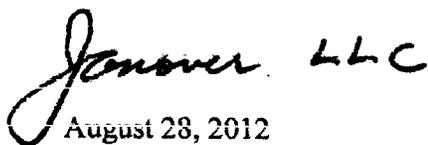
**Independent Auditors' Report**

To the Board of Directors and Stockholder of  
Churchill Capital USA, Inc.:

We have audited the accompanying statement of financial condition of Churchill Capital USA, Inc. as of June 30, 2012, pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Churchill Capital USA, Inc. at June 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

  
August 28, 2012

# CHURCHILL CAPITAL USA, INC.

## Statement of Financial Condition

June 30, 2012

### Assets

Cash and cash equivalents	\$ 1,335,230
Clearing firm deposit	100,940
Clearing firm receivable	268,892
Prepaid expenses	53,333
Other assets	30,255
Property and equipment, net	16,197
	<u>\$ 1,804,847</u>

### Liabilities and Stockholder's Equity

#### Liabilities:

Accounts payable and accrued expenses	\$ 213,181
Income taxes payable	12,386
Deferred tax liability	3,973
	<u>229,540</u>

#### Stockholder's equity:

Common stock, no par value; 200 shares authorized; 100 shares issued and outstanding	20,000
Additional paid-in capital	325,000
Retained earnings	1,230,307
	<u>1,575,307</u>
	<u>\$ 1,804,847</u>

The accompanying notes are an integral part of the financial statements.

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

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June 30, 2012

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### 1. Business Organization

Churchill Capital USA, Inc. (the "Company"), a wholly owned subsidiary of Churchill Capital Ltd. (the "Parent"), is a registered broker-dealer with the Securities and Exchange Commission ("SEC") in the state of New York and a member of the Financial Industry Regulatory Authority ("FINRA"). The Company engages in a general securities business with institutional investors. The Company received its FINRA approval for membership on July 12, 2007. The Company is exempt from Rule 15c3-3 of the SEC under paragraph (k)(2)(ii) of that rule.

### 2. Summary of Significant Accounting Policies

The following summary of the Company's major accounting policies is presented to assist in the interpretation of the financial statements.

**Basis of preparation** - The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

**Cash and cash equivalents** - The Company considers investments in financial instruments with maturities of less than 90 days when issued to be cash equivalents.

**Revenue recognition** - The Company records securities transactions, and related profit and loss arising from such transactions, on a trade-date basis. Commission revenue and related expenses are recorded on a trade-date basis. The revenue and expenses from such transactions would not be materially different if reported on a settlement-date basis.

**Property and equipment** - Property and equipment are recorded at cost. Depreciation of property and equipment is computed on the straight-line method over estimated useful lives of three to four years.

**Income taxes** - Income taxes are accounted for in accordance with the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification No. 740 ("ASC 740") "Accounting for Income Taxes". As required under ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of assets and liabilities and the respective tax basis amounts. Deferred tax assets and liabilities are measured under tax rates that are expected to apply to taxable income in the years in which these differences are expected to be realized. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period of the tax change.

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

June 30, 2012

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### 2. Summary of Significant Accounting Policies *(continued)*

**Uncertain tax positions** The Company adopted the provisions of FASB Accounting Standards Codification No. 740 ("ASC 740") Subtopic 05 "Accounting for Uncertainty in Income Taxes", on January 1, 2009. As a result of the implementation, the Company was not required to recognize any amounts from uncertain tax positions.

**Use of estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fair value disclosures** - The carrying amounts of cash, clearing firm deposit, clearing firm receivable, and accounts payable approximate fair value because of the short-term nature of these investments.

### 3. Clearing Broker

The Company clears all of its trades through Pershing, LLC ("Pershing") on a fully disclosed basis. For this service Pershing receives a percentage of the gross commission on each transaction. At June 30, 2012, the Company had \$100,940 on deposit with Pershing.

### 4. Property and Equipment

Property and equipment at June 30, 2012 is as follows:

Furniture and fixtures	\$ 79,293
Computer and telephone equipment	67,240
	<hr/>
	146,533
Less: accumulated depreciation	130,336
	<hr/>
	\$ 16,197

Depreciation expense was \$7,725 for the year ended June 30, 2012.

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

June 30, 2012

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### 5. Income Taxes

The net deferred tax liability of \$3,973 in the accompanying statement of financial condition results from a temporary difference due to the use of accelerated methods of depreciation of property and equipment for income tax purposes.

The Company used an effective tax rate of 44% comprised as follows:

Statutory federal income tax rate	27%
State taxes on income, net of federal income tax benefit	8%
Local taxes on income, net of federal income tax benefit	<u>9%</u>
Total effective tax rate	<u>44%</u>

A reconciliation of income taxes provided at the total effective rate for Federal, state, and local jurisdictions is as follows for the year ended June 30, 2012:

Tax at total effective rate	\$ 180,222
Permanent differences	(108,326)
Other	<u>(15,849)</u>
	<u>\$ 56,047</u>

### 6. Related Party Transactions

The Company occupies office space under a sublease agreement with its Parent company (see Note 8).

### 7. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At June 30, 2012, the Company had net capital of \$1,475,522 which was \$1,375,522 in excess of its required net capital of \$100,000. The Company's ratio of aggregate indebtedness to net capital was 0.16 to 1.

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

June 30, 2012

### 8. Commitments and Contingencies

The Company occupies office space in New York City. A sublease agreement was in place between the Company and its Parent, whereby the Company paid monthly rent directly to the landlord. This lease commenced in August 2007, with monthly rent of \$12,297 for a term of five years, which expired in August 2012. The new lease has been assigned by the Parent to the Company effective August 1, 2012, with a term beginning October 1, 2012 thru December 31, 2017, with monthly rent of \$10,075. Rent expense for the year ended June 30, 2012 was \$154,371.

Minimum lease obligations at June 30, 2012 are as follows for the years ending June 30,:

2013	\$	90,678
2014		120,904
2015		120,904
2016		120,904
2017		120,904
thereafter		60,452
	\$	<u>634,746</u>

### 9. Concentration of Risk

In the normal course of its business, the Company enters into financial transactions where the risk of potential loss due to changes in the market (market risk) or failures of the other parties to the transaction to perform (counterparty risk) exceeds the amounts recorded for the transaction.

The Company's policy is to continuously monitor its exposure to the market and counterparty risk through the use of a variety of financial, position and credit exposure reporting and control procedures. In addition, the Company has a policy of reviewing the customers and/or other counterparties with which it conducts business.

The Company places its cash with quality institutions. For the period commencing December 31, 2010 through December 31, 2012, funds in non-interest bearing accounts have unlimited coverage with the Federal Deposit Insurance Corporation ("FDIC"). At times, the balances of interest bearing accounts may be in excess of the insurance limits of the FDIC. The Company has not experienced any losses in such accounts.

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

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June 30, 2012

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### 10. Financial Instruments with Off-Balance Sheet Risk

In the normal course of business, the Company's customer activities involve the execution, settlement, and financing of various customer securities transactions. These activities may expose the Company to off-balance-sheet risk in the event the customer or other broker is unable to fulfill its contracted obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss.

### 11. Pension Plan

The Company has a 401(k) Employee Savings Plan (the "Plan") which is open to all employees who are at least 20 years of age. The Plan is designed to provide additional financial security during retirement by providing eligible employees with an incentive to make regular savings contributions. The Company provided matching contributions to participants in the amount of \$15,610 for the year ended June 30, 2012.

### 12. Subsequent Events

Management has evaluated events and transactions occurring after the statement of financial condition date and through the date of the independent auditors' report to determine whether any of these events or transactions were required to be recognized or disclosed in the financial statements. The date of the independent auditors' report is the date that the financial statements were available to be issued.